

California Climate Investments

Department of Forestry and Fire Protection

Forest Health Program Grant Guidelines 2016-2017



November 14, 2016

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INTRODUCTION

This procedural guide includes information for the use of funds provided by the Greenhouse Gas Reduction Fund (GGRF) for California Climate Investments administered by the California Department of Forestry and Fire Protection (CAL FIRE). Through the Forest Health Grant Program, CAL FIRE funds and implements projects to proactively restore forest health in order to reduce greenhouse gases (GHGs), to protect upper watersheds where the state's water supply originates, to promote the long-term storage of carbon in forest trees and soils, minimize the loss of forest carbon from large, intense wildfires, and to further the goals of the California Global Warming Solutions Act of 2006 (Assembly Bill 32, Health and Safety Code Section 38500 *et seq.*) (AB 32).

The Governor's 2016-2017 budget allocated a total of \$40 million Greenhouse Gas Reduction Fund (GGRF) funding to CAL FIRE, \$25 million of which is for forest health projects. Of the amount dedicated to Forest Health, \$3 million shall be used to partner with the California Conservation Corps to complete forest health projects.

While these are substantial budget allocations, large and intense wildfires and epidemic tree mortality will likely continue to increase as climate change and drought effects progress, and release large amounts of uncontrolled GHG emissions into the atmosphere. GGRF, as well as other funding sources, are critical to effectively deal with this problem. Wildfires contribute an estimated 66 percent of the State's annual black carbon emissions, a particularly harmful climate pollutant. Using a variety of funding sources to invest in solving this problem will help meet the Governor's 2030 and 2050 climate goals. Preference will be given to projects that fulfill the broader goals of the CA Strategic Fire Plan, the Forest Carbon Plan, the 2030 Scoping Plan update, the State Wildlife Action Plan, and the Department of Water Resources' Water Plan.

Forest Health Program Summary

The emphasis of the Forest Health Program is to protect forests, water and the carbon stored in living trees. This requires preventing epidemic tree mortality, protecting water quality in upper watersheds, and creating forests consisting of optimally spaced large trees that are resilient to disturbances such as wildfire and tree mortality. Forests with these attributes will be able to store carbon for long time periods with a lower risk of loss to wildfire or insects and disease.

No single activity is going to solve the wide range of threats to California's forests. It is going to take a balanced approach of a variety of available management options. Given the certainty of an uncertain future climate, it is important to deploy a wide range of management activities and maintain options for any future management situation that may materialize. In some cases, agreements such as conservation easements will be implemented to help ensure that the investment benefit of Greenhouse Gas Reduction Fund (GGRF) funds is maintained for the long term.

The Forest Health Program will fund the following activities reforestation, fuel reduction, pest management, conservation, and biomass utilization intended to increase forest health, increase carbon storage in forests, reduce wildfire emissions and protect upper watersheds, where much of the State's water supply originates. Projects that implement a mix of these activities, with multiple partners will be given priority.

Projects must focus on large landscapes. This will usually mean sub-watersheds, firesheds, or larger logical management units covering up to 750 thousand acres. Larger landscape project areas may be considered if they present a logical management unit. Priority will be given to projects that are cooperative ventures between multiple landowners, such as federal and State land management agencies, small nonindustrial private landowners, mill operators and biomass-based industries. Priority will also be given to projects that contain a wide range of different activities to reflect the diverse conditions within large landscape areas.

CAL FIRE will provide technical expertise and management oversight of grants, but may not be the primary agency in projects. Several criteria will be used to select projects, including landscapes where projects will have the greatest benefits, such as areas with elevated levels of tree mortality, wildfire threats, carbon storage potential, and opportunities for biomass use within reasonable proximity. In order to be most effective, multiple funding sources should be leveraged from each of the partners involved in projects, and priority will be given to projects that contain matching funds and leverage other financial resources.

The California Air Resources Board (ARB), in its statutory role, has worked cooperatively with CAL FIRE and other experts to develop quantification methods for individual forest treatment activities, and an accounting strategy for combining the effects of individual treatment activities and their synergistic effects, at the landscape level.

Partners

CAL FIRE will partner with a wide range of State and federal agencies, tribal governments, private entities, non-profit organizations, environmental groups and other stakeholders in implementing the Forest Health Program. CAL FIRE will seek opportunities for matching the GGRF funds with grants from other agencies under the California Natural Resources Agency (CNRA) umbrella. The plan is to match logical projects in forested upper watersheds, including wildlife habitat, meadow restoration and water resources, to leverage resources in order to achieve an outcome that is larger than the sum of the individual projects that may have been undertaken by each Department independently.

Existing agreements will play a key role. The federal Good Neighbor Authority allows State agencies such as CAL FIRE to implement projects on federal lands. The prescribed fire MOU signed by the USDA Forest Service, CNRA and other stakeholders, will also play an important part in implementing the Forest Health Program. Also, established forest collaborative groups will be leveraged to implement projects in a coordinated and expedited manner.

Funding

The GGRF should not be the only funding source considered for landscape Forest Health projects. CAL FIRE envisions leveraging the program with several funding sources, of which GGRF is one. The following table summarizes funding sources available to various investment areas:

Investment Areas	GGRF	SRA	Prop. 1	Federal		NRCS	Water Boards	TRFRF
				State and Private	Coop Fire			
State Lands	X		X				X	
Private Non-Industrial	X	X		X	X	X	X	X
Federal Lands	X	X	X				X	X
NGO Lands	X	X						X
Local Government Lands	X	X			X			
Biomass Use	X		X	X	X			X

State Responsibility Area (SRA) grants may be used to fund projects to reduce wildfire threat to habitable structures. The Natural Resource Conservation Service (NRCS) provides grants for forest restoration and enhancement. The Timber Regulation and Forest Restoration Fund (TRFRF) established a forest restoration grant program. Proposition 1, among other things, funds ecosystems and watershed protection and restoration.

Funding recipients may include private forest landowners, state, local and federal governmental agencies, Native American tribes, NGOs and biomass users.

Carbon Accounting

ARB is responsible for providing the quantification methodology to estimate the net GHG benefit from projects receiving monies from the GGRF for California Climate Investments. ARB, in consultation with CAL FIRE, has developed a landscape level quantification methodology that provides uniform methods to estimate the net GHG benefit of each proposed project. ARB will post a draft quantification methodology for public comment prior to finalization. Both the draft and final quantification methodologies will be available on its website at: <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/quantification.htm>

The quantification methodology will compare outcomes of a baseline scenario with that of project implementation over the project life. The baseline for a project will be the normal land management activities that could be expected to occur in the absence of the project. In some cases, this will include activities such as thinning or reforestation, in other cases it will be no activities, i.e. a “let grow” situation.

Forestry projects generally have longer project lives than other project types due to the slow nature of carbon sequestration and the long-lasting nature of the investment. The

quantification methodology will estimate the net GHG benefit as well as the net benefit per dollar of GGRF funds.

Forest health projects typically will consist of a collection of individual activities spread over a large landscape. Each activity however, must be part of a logical plan to reduce GHG emissions and contribute to the overall forest health of the logical management unit.

Permanence

Grant agreements will be designed to ensure the project benefits are as permanent as possible. ARB requires a 10-year monitoring provision for forestry projects. In forested ecosystems, there will always be an inherent risk of carbon loss through any agent of natural disturbance, such as wildfire, pests and disease, drought, windstorms or earth movement. In addition to direct loss, forest growth and development can reduce the effectiveness of treatments such as fuel reduction. Grant recipients will be encouraged to implement creative methods for maintaining treatment efficiency over time.

APPLICANT ELIGIBILITY CRITERIA AND APPLICATION PROCESS

Below is a brief list of applicant eligibility criteria and an explanation of the application process. Appendix D contains all of the project eligibility and grant selection criteria.

Applicant Eligibility Criteria:

1. **Applicants** - Eligible applicants include federal land management agencies (excluding conservation easements), state land management agencies, Native American tribes, private forest landowners, resource conservation districts, fire safe councils, land trusts, landowner organizations, conservation groups, and non-profit organizations.
2. **Projects:** Eligible projects must include large, landscape-scale forestlands composed of one or more landowners, which may cover multiple jurisdictions. Projects must be logical management units located in California and under 750 thousand acres in size. Larger project areas may be considered if that comprise a logical management unit. Projects located on an area covered by an existing environmental credit project (e.g., carbon offset project) are ineligible.
3. **Greenhouse Gas Emission Reductions** - In order to be eligible for funding under this program, a project must further the goals of AB 32 and include a quantitative estimate of the net GHG benefit in terms of metric tonnes of carbon dioxide equivalent per the FY 2016-17 quantification methodology approved by ARB. The FY 2016-17 quantification methodology will be made available at <http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/quantification.htm>. The quantification methodology will compare outcomes of a business-as-usual baseline scenario with that of project implementation over the project life. The baseline for a project will be the normal land management activities that could be expected to occur in

the absence of the project. Project applicants must demonstrate that activities funded by the GGRF are activities that would not otherwise occur in the baseline scenario. Forest health projects most often will consist of a collection of individual activities spread over a large landscape. Each activity however, must be part of a logical plan to reduce GHG emissions at the project level. Projects that do not immediately have a net GHG benefit must be sustained at least until one is achieved and maintained for an additional ten years.

4. **Priority Areas** - Eligible projects must target forestlands where projects will have the greatest benefits, such as areas with elevated levels of tree mortality and wildfire threats, carbon storage potential, as well as opportunity for biomass use. These are areas where there is a demonstrated need for treatment, and they will be given high priority.
5. **Completion** - Eligible projects must be able to complete grant-related work by March 30, 2020. Preference will be given toward projects that have completed required environmental compliance (CEQA, NEPA, etc.) before the project application is submitted.
6. **Permanence** - Eligible projects must be designed so as to ensure the project benefits are as permanent as possible. Grant applicants will be encouraged to implement creative methods for maintaining treatment efficiency over time.
7. **Forest Legacy Funding** - Eligible projects involving conservation easements and GGRF funds must also apply for federal forest legacy funding. The maximum GGRF funding amount is limited to 75% of the appraised value of the interest to be conveyed.
8. **Capacity** - Project proponents must demonstrate capacity to plan and implement a complex, large landscape level project.
9. **Research** – Research is allowable as a component of a Forest Health project. Research should not be the primary focus of the project but a certain component of GHG reducing activities that contribute to the common goals of the project.

Application Process:

Projects will be selected through a competitive process. The application process will consist of two phases. The first phase will consist of a brief Concept Proposal, with enough information to allow CAL FIRE to determine whether the proposed project qualifies for the Forest Health program. Concept Proposals will be evaluated according to the Applicant Eligibility Criteria. If the Concept Proposal is approved, the applicant will be invited to submit a more detailed Project Application. The project applications will be evaluated using the Grant Selection Criteria (see Appendix D).

Greater consideration will be given to organizations with a proven record of success in achieving consensus-based solutions between stakeholder groups with different priorities and perspectives. These organizations will serve as leads and help identify and recruit landowners and stakeholders for specific projects.

A relatively low number of grants for higher funding amounts, similar to federal block grants, will be awarded to entities that have implementable plans for multi-landowner, landscape-level projects. The grant awardees are expected to handle many of the logistical tasks involved in contacting and recruiting a large number of landowners for the cooperative landscape level projects.

Concept Proposal – Applicants must submit a concept proposal to CAL FIRE. CAL FIRE will review it for consistency with the requirements of the funding and eligibility criteria. Proposals that meet these requirements will be invited to submit a project application.

Concept proposals must be prepared online and submitted to CAL FIRE at calfire.grants@fire.ca.gov. A hard copy of the concept proposal must also be submitted to CAL FIRE. Hard copies should be sent to:

Department of Forestry and Fire Protection
Grants Management Unit
P.O. Box 944246
Sacramento, CA 94244-2460

Concept proposals must be received no later than XXXXXX.

Project Application – Applicants will be invited to submit an application package for projects that meet concept proposal requirements and overall Forest Health Program intent. The application package must include a complete hard and an electronic copy of the following:

1. Attachment A – Project Application (hard copy must be signed, electronic submittal must be in fillable PDF format).
2. Attachment B – Scope of Work and Map of Project Area.
3. Attachment C – Proposed Project Budget.
4. Supplemental Information.
5. Project location GIS data file.
6. Nonprofit Applicants: Articles of Incorporation including the Seal from the Secretary of State.

Hard copy address:

Department of Forestry and Fire Protection
Grants Management Unit
P.O. Box 944246
Sacramento, CA 94244-2460

Electronic copy address: CALFIRE.Grants@fire.ca.gov.

Attachments should be named using the following format:

Attachment	electronic file name
Attachment A - Project Application Form	16-GGRF-FH-XXXX-UUU-Application.pdf
Attachment B – Scope of Work and Map	16-GGRF-FH-XXXX-UUU-SOW.doc
Attachment B-Project Map	16-GGRF-FH-XXXX-UUU-Map.pdf
Attachment C – Budget	16-GGRF-FH-XXXX-UUU-Budget.xls
Supplemental Information	16-GGRF-FH-XXXX-UUU-Supplemental.pdf
Project location GIS data file	16-GGRF-FH-XXXX-UUU-ProjectArea.kmz
Articles of Incorporation for non-profits	16-GGRF-FH-XXXX-UUU-Nonprofit.pdf

Note:

1. Replace XXXX in the file name with the Project Tracking ID Number.
2. Replace UUU in the file name with the 3-letter identifier for the CAL FIRE Unit where the project is located. Unit identifiers are listed in the Item #1 drop down list in Project Application.

Project applications must be postmarked no later than XXXXXXXX

CAL FIRE will review the applications for completeness and fulfillment of eligibility and selection criteria. Each project will be scored against the selection criteria, and the highest scoring projects will be selected for funding. CAL FIRE plans to finalize the Forest Health Procedural Guide by January 2017. A solicitation for Concept Proposals and the invite for Applications will occur in early 2017 with final grant awards scheduled for April 2017.

Project applicants will be notified by mail if they have or have not been selected to receive funding. Applications will be treated in accordance with the Public Records Act requirements, and certain information, subject to those requirements, may be publicly disclosed. If the current solicitation does not meet minimum requirements (e.g., none of the applicants meet the specified minimum score), then CAL FIRE will issue a new solicitation.

Additional Steps for Projects with a Conservation Easement

Pre-Application – (Please see Appendix C) This section only applies to projects that will include a conservation easement. If the project will not include a conservation easement, then the prospective applicant should skip this section and go to the concept proposal section.

GENERAL PROJECT CONDITIONS and PROJECT ADMINISTRATION

General Project Conditions:

1. **Progress Reports** - Applicants must provide a method, schedule and reporting mechanism for pre- and post-project monitoring of site conditions and project results. Projects proponents must track and report progress to CAL FIRE throughout the grant term consistent with the project-type specific reporting requirements in ARB's Funding Guidelines for Agencies that Administer California Climate Investments (December 21, 2015)¹ (Funding Guidelines). Information to be submitted includes project description, project location, GGRF dollars allocated, leveraged funds, acres of land treated, activities completed, number of trees planted and acres planted, tons of biomass

¹ <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/arb-funding-guidelines-for-ca-climate-investments.pdf>

delivered to a renewable energy facility, tons of biomass delivered to a sawmill, renewable energy produced, net GHG benefit, job or job training information, and other co-benefits achieved, and benefits to disadvantaged communities. Such reports will be provided annually (due by November 15 for the annual period) for the duration of the performance period. A subset of funded projects will be required to periodically report results of the project for a period of time after project completion (e.g., once every two years for ten years) in accordance with the Funding Guidelines and quantification methodology approved by ARB.

2. **Monitoring** – Eligible projects will be monitored according to ARB standards by providing project information for entry into CAL MAPPER, CAL FIRE's geo-spatial database that facilitates mapping and monitoring of GGRF and other CAL FIRE vegetation treatment projects. Information from grantees will include shapefiles or feature class of project boundary (use Esri Arc GIS, Esri ArcView geodatabase, or Google Earth KMZ file types), project type, grantee contact information, project activities and costs, and other information. CAL MAPPER information from grantees will be required at specific times throughout the effective period of the grant, including at initial grant award and at periodic invoice billing submissions. Some reported project information will be publicly available on the ARB website.
3. **Forest Health Activities** - Eligible projects must include one or a combination of the following forest health activities: (a) forest fuel reduction treatments (manual and mechanical); (b) pest management activities; (c) reforestation, including site preparation and early stand treatments; (d) conservation easements to protect forest land at risk of conversion to non-forest land uses and increase carbon stocks; and (e) biomass use, including energy generation and creation of wood products. CAL FIRE will provide technical expertise and management oversight of grant-funded activities, but may not actively participate in projects.
 - a. **Forest Fuels Reduction** - Eligible activities must focus on treating understory trees and brush with a goal of reducing fire hazards, improving tree growth, stabilizing carbon in retained trees, and increasing forest resilience. Activities may include prescribed burning, forest thinning, and/or harvesting. Prescribed burning activities must be designed to reduce surface and ladder fuel loads so as to reduce expected flame lengths, thereby reducing the risk of a stand-replacing wildfire. Forest thinning activities (manual or mechanical) must be designed to change stand structure to increase carbon storage in fewer, larger, more widely-spaced trees that are more resistant to wildfire, drought, and insect attacks and reduce the likelihood of wildfire transitioning into the forest canopy. Harvesting activities should focus on removing dead, diseased, stagnant or slow-growing trees for the purpose of promoting carbon storage in remaining trees and must be compatible with achieving resilient forests with stable carbon storage and co-benefits such as wildlife habitat. Projects with a forest fuels reduction component are encouraged to also include a biomass utilization component and projects with such a pairing will be favored in project selection.
 - b. **Pest Management** – Eligible activities must address pest control, related forest health improvement, reducing fire hazards, improving tree growth, stabilizing carbon retained in trees, and increasing forest resilience. Activities may include

forest thinning, and/or harvesting. Forest thinning activities (manual or mechanical) must change stand structure to increase carbon storage in fewer, larger, more widely-spaced trees that are more resistant to wildfire, drought, and insect attacks. Harvesting activities should focus on removing only dead, diseased, stagnant or slow-growing trees for the purpose of promoting carbon storage in remaining trees and must be compatible with achieving resilient forests with stable carbon storage and co-benefits such as wildlife habitat. Projects with a pest management component are encouraged to also include a biomass utilization component and projects with such a pairing will be favored in project selection.

- c. **Reforestation** – Eligible activities must reestablish a diverse, natively-occurring forest, which will result in improved watershed functions, forest resilience, stabilized carbon in tree growth and biomass utilization of removed material due to treatment activities.
- d. **Conservation Easements** – Eligible activities include protecting forestland at risk of conversion to non-forest land uses and through management practices to increase carbon stocks.
- e. **Biomass Utilization** – The activities must utilize woody biomass for wood products, which allows for continued carbon storage, or to generate energy, which displaces carbon-intensive fossil fuel-based energy.

Project Amendments and Termination

After work begins on the project, an agreement may be amended by advanced written consent of CAL FIRE and the grantee. An agreement may be terminated by CAL FIRE or the grantee upon 30 days advanced written notice to the other party. Further details on this process will be provided if a grant agreement is offered. All project work related to the grant must be completed by March 30, 2020.

Changes to Approved Project

A grantee wishing to change the scope of an approved project must submit the proposed change in writing to CAL FIRE for review and approval in writing. Any change must be consistent with the authorizing legislation. A change in the scope of the project may require the project agreement to be amended. CAL FIRE reserves the right to reject proposed changes to an approved project.

Accounting Requirements

The grantee must maintain an accounting system that accurately reflects fiscal transactions. The accounting system must provide an adequate audit trail, including original source documents, such as receipts, progress payments, invoices, purchase orders, time cards, cancelled checks, etc. The accounting system must document the total cost of the project. The grantee must maintain accounting records for the duration of the project life.

Loss of Funding

The following are examples of actions that may result in a grantee's loss of funding (this is not a complete list and is intended only to show examples):

1. Grantee fails to obtain a grant agreement.
2. Grantee fails to use all of the grant funds.
3. Grantee withdraws from the grant program.
4. Grantee fails to complete the funded project.
5. Grantee fails to submit all documentation within the time periods specified in the grant agreement.
6. Grantee fails to submit evidence of California Environmental Quality Act compliance within one year of the execution of the agreement, as specified by the grant agreement.
7. Grantee changes the project scope of work without CAL FIRE's concurrence.
8. Grantee or CAL FIRE terminates the project.

Eligible Costs

Project costs must be consistent with the approved grant application and incurred during the performance period (from the time the grant is fully signed to the grant termination date) as specified in the grant agreement.

Ineligible Costs

The following are ineligible for reimbursement under the grant:

1. Costs incurred before or after the project performance period.
2. Cost of preparing the concept proposal, project application and other grant proposals.
3. Late fees, penalties and bank fees.
4. Any activity that would lead to a project not achieving a greenhouse gas reduction.

Payment of Grant Funds

Funds will be able to be disbursed only once there is a fully executed grant agreement between CAL FIRE and the grantee. Except in those cases where CAL FIRE authorizes advanced payments (for nonprofits only), all payments will be made on a reimbursement

basis (i.e., the grantee pays for services, products or supplies; invoices CAL FIRE for the same; and the state reimburses the grantee upon approval of the invoice). The responsible CAL FIRE Forester or Designee must be contacted to conduct an inspection prior to invoicing CAL FIRE for completed work. CAL FIRE will conduct a spot inspection to verify that work to be invoiced has been satisfactorily completed. The invoice will be forwarded to Sacramento Headquarters for review and subsequent approval of payment. Expect payment to take four to eight weeks from the time an invoice is submitted. If an invoice is incomplete or unreimbursable, it will be returned to the grantee. Grantees are instructed to use an invoice form consistent with invoice guidance in Appendix J when requesting payment of any type and to include appropriate documentation to support the cost.

State Audit

Upon completion of the project, the State may audit the project records. A project is considered complete upon receipt of final grant payment from the State. The purpose of the audit is to verify that project expenditures were properly documented. The audit would be requested by the State after the final payment request has been received and all project transactions have been completed.

If your project is selected for audit, you will be contacted at least 30 days in advance to the audit commencing. The audit should include all books, papers, accounts, documents, or other records of the Grantee, as they relate to the project for which State funds were granted. Projects may be subject to an audit at any time over the project life.

In an effort to expedite the audit, the recipient shall have the project records, including the source documents, and cancelled warrants readily available. The Grantee shall also provide an employee having knowledge of the project and the accounting procedure or system to assist the State auditor. The Grantee shall provide a copy of any document, paper, record, or the like as requested by the State auditor.

All project records must be retained by the Grantee for a period of not less than one year after the State audit or after final disposition of any disputed audit findings. Grantees are required to keep source documents for all expenditures related to each grant for at least three (3) years following project completion and one year following an audit.

Grant Agreement and Completion Deadlines

CAL FIRE will execute all grant agreements by June 30, 2018. All funded projects must have grant-related work completed by March 30, 2020.

APPENDIX A – Explanation of Terms

TERM	EXPLANATION
Agreement	A legally binding agreement between the State and another entity.
Amendment	A formal modification or a material change of the agreement, such as term, cost, or scope of work.
Application	The form identified as Attachment A and supporting attachments for grants required by the enabling legislation or program, or both.
Authorized Representative	The designated position identified in a resolution as the agent to sign all required grant documents including, but not limited to, grant agreements, application forms (Attachment A) and payment requests.
CEQA	The California Environmental Quality Act is a law establishing policies and procedures requiring agencies to identify, disclose to decision makers and the public, and attempt to lessen significant impacts to environmental resources that may occur as a result of a proposed project.
Contractor	An entity contracting with CAL FIRE or the grantee.
Forestland	As in Public Resources Code § 4793, land at least 10% occupied by trees of any size that are native to California.
Indirect Costs	Expenses of doing business that are of a general nature and are incurred to benefit at least two or more functions within an organization. These costs are not usually identified specifically with a grant, grant agreement, project or activity, but are necessary for the general operation of the organization. Indirect costs include salaries and benefits of employees not directly assigned to a project, which provide functions such as personnel, business, information technology or janitorial services, and salaries of supervisors and managers.
Modification	An informal agreement that moves dollars in the line-item and task budgets not to exceed 10% of total grant amount, changes deliverable due dates, or makes a minor change in the work of a grant agreement. It does not require a formal amendment of the grant agreement.
Net GHG Benefit	The sum of the GHG emission reductions and sequestration less any GHG emissions resulting from project implementation.
Non-profit Organization	Any California corporation organized under Section 501(c)(3) of the Federal Internal Revenue Code.
Operating Expenses (Direct Cost)	Any cost that can be specifically identified as generated by, and in accordance with, the provisions or activity requirements of the grant agreement.
Payee Data Record (Std. 204)	A form required for non-governmental entities to establish a vendor number for payment and to have funds encumbered.

Project Performance Period	The period of time described in the Project Scope of Work when costs may be incurred. Only Eligible Costs incurred during the Project Performance Period will be paid by the State.
Project	The activity, activities, or work to be accomplished utilizing grant and matching funds (if applicable).
Project Scope of Work	The detailed description of the proposed tasks identified as Attachment B, as described in enabling legislation and detailed in the grant agreement.
Project Budget Detail	The proposed detailed budget plan identified as Attachment C.
Resolution	A signed resolution by the grantee's governing body, which allows the grantee to sign agreements and amendments for a specific project.

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APPENDIX B – CEQA Compliance

Prior to commencing any on-the-ground work the Department of Forestry and Fire Protection requires proof of adequate compliance with the California Environmental Quality Act. This may be accomplished by one or more of the following methods:

1. Notice of exemption filed with the State Clearinghouse or the county clerk and completion of the associated Department of Forestry and Fire Protection Environmental Review Report for an Exempt Project for categorically exempt projects.
2. Initial study and negative declaration or mitigated negative declaration and all associated noticing documents filed with the State Clearinghouse or the county clerk.²
3. Draft and final environmental impact report and all associated noticing documents filed with the State Clearinghouse or the county clerk.³
4. Timber harvesting permit or notice in compliance with the California Forest Practice Act and Rules, if the project undertakes timber operations per Public Resources Code § 4527.
5. Finding of no significant impact or environmental impact statement prepared in compliance with the National Environmental Policy Act.
6. Certification that the project qualifies for the limited suspension of requirements of the California Environmental Quality Act pursuant to the Governor's October 30, 2015, *Proclamation of a State of Emergency*.

For exempt projects where the grantee is a public agency, the grantee will be responsible for: (a) performing the necessary environmental effects analysis; (b) preparing the Environmental Review Report for an Exempt Project and notice of exemption; and (c) filing the notice of exemption. For exempt projects where the grantee is not a public agency (e.g., fire safe council), a public agency will need to file the notice of exemption. The Department of Forestry and Fire Protection, another state agency or a local agency (e.g., resource conservation district, fire district) will need to file the notice of exemption on behalf of the non-public-agency grantee. The Department of Forestry and Fire Protection and other state agencies shall file the notice of exemption with the State Clearinghouse. Local agencies shall file the notice of exemption with the county clerk. Non-Department of Forestry and Fire Protection agencies will need to provide proof of filing.

For non-exempt projects where the grantee is a public agency, the grantee will assume the role of lead agency. The lead agency is responsible for: (a) performing the necessary environmental effects analysis; (b) preparing environmental documents; and (c) filing associated notices. For non-exempt projects where the grantee is not a public agency (e.g.,

²A Department of Fish and Wildlife filing fee will be required upon filing of the notice of determination for an initial study and negative declaration or mitigated negative declaration with the State Clearinghouse or county clerk. Grantees are advised to request funds for this fee when preparing budgets during the application phase for grant dollars.

³A Department of Fish and Wildlife filing fee will be required upon filing of the notice of determination for a final environmental impact report with the State Clearinghouse or county clerk. Grantees are advised to request funds for this fee when preparing budgets during the application phase for grant dollars.

fire safe council), a public agency will need to be responsible for ensuring the environmental documents adequately assess environmental effects and comply with applicable law and for filing associated notices. The Department of Forestry and Fire Protection, another state agency or a local agency (e.g., resource conservation district, fire district) will need to file the associated notices on behalf of the non-public-agency grantee. The Department of Forestry and Fire Protection and other state agencies shall file the notices at the State Clearinghouse. Local agencies shall file the notices with the county clerk. Non-Department of Forestry and Fire Protection agencies will need to provide proof of filing.

Regardless of who files the documents or is lead agency, the grantee is responsible for performing the necessary environmental effects analysis and preparation of environmental documents for projects. Grantees should plan their budgets for this work when applying for grants. When preparing their budgets, grantees should consider the need to contract with appropriate resource professionals to do the necessary environmental effects assessment and document preparation work. This may include biologists, professional archaeologists, air quality experts, registered professional foresters, environmental planners, etc.

The Department of Forestry and Fire Protection has a responsibility to review all environmental documents and associated notices for compliance with the California Environmental Quality Act. This will include ensuring adherence to necessary procedures and that project activities will not cause a significant effect on the environment. In cases where the Department of Forestry and Fire Protection, in its sole discretion, determines that there has been a failure to comply with required procedures or that project activities may cause a significant effect on the environment, the Department of Forestry and Fire Protection may ask for changes to documents or to the project and, in the absence of requested changes, may elect to withdraw funding from the project.

The Department of Forestry and Fire Protection will review environmental documents according to the following:

1. Exempt projects where the grantee is not a public agency:

California Environmental Quality Act compliance review should occur when the applicable documents are in the draft phase. Review should ensure: (a) the project activities fit within the applicable categorical exemption(s) (14 CCR §§ 15301-15333); (b) no exceptions apply (14 CCR § 15200.2(a)-(f)); and (c) the Environmental Review Report for an Exempt Project provides sufficient information to determine that the project is indeed exempt.

2. Exempt projects where another public agency prepares and files documents:

California Environmental Quality Act compliance review may occur when the applicable documents are in the draft phase or after the notice of exemption has been filed. Reviewing documents while they are in the draft phase may avoid problems later. Review should focus on the same items described in (1)(a)-(c).

3. Negative declarations, mitigated negative declarations and environmental impact reports where the Department of Forestry and Fire Protection is the lead agency:

California Environmental Quality Act compliance review should occur during all phases of document preparation, filing, review, adoption and certification. Review should ensure all applicable requirements of the California Environmental Quality Act related to the specific environmental document are adequately addressed, including the timely filing of applicable notices.

4. Negative declarations, mitigated negative declarations and environmental impact reports where another public agency is the lead agency:

The Department of Forestry and Fire Protection should provide the lead agency with pertinent information regarding the project and associated impacts that will allow it to produce an adequate environmental document that the department may use as a responsible agency to grant funds for the project. This may occur during consultation, scoping and review (14 CCR §§ 15063(g), 15082(b), 15083, 15086(c), 15096(b)&(d)). Comments during consultation or review should focus on the choice of appropriate environmental document and the project's environmental effects. Comments should be limited to those project activities within the Department of Forestry and Fire Protection's area of expertise and that the Department of Forestry and Fire Protection may choose to fund. Comments should be specific and substantiated. Once the lead agency has adopted or certified the environmental document, the Department of Forestry and Fire Protection will need to review the document to ensure its adequacy. The Department of Forestry and Fire Protection's review should determine whether the environmental document provides enough information about project activities that it will fund and their effect on the environment. If the environmental document appears adequate, then the Department of Forestry and Fire Protection shall adopt alternatives or mitigation measures, make findings and file a notice of determination with the State Clearinghouse. This must be done before any on-the-ground activities occur. If the environmental document does not appear adequate, then the Department of Forestry and Fire Protection may ask for changes to documents or to the project and, in the absence of requested changes, may elect to withdraw funding from the project.

5. Timber harvesting permits or notices:

California Environmental Quality Act compliance review should occur after approval of the permit or acceptance of the notice. Review should ensure the grant-funded activities are consistent with those allowed under the permit or notice.

6. Finding of no significant impact or environmental impact statement:

California Environmental Quality Act compliance review should occur after completion and approval of the National Environmental Policy Act environmental document. Review should ensure the environmental document complies with the provisions of the California Environmental Quality Act and the grant-funded activities are consistent with those evaluated therein.

For all environmental documents where the Department of Forestry and Fire Protection is the lead agency, except timber harvesting permits or notices, cultural resources must be assessed per the procedures outlined in *Archaeological Review Procedures for CAL FIRE Projects* (http://calfire.ca.gov/resource_mgt/archaeology-resources.php). This will require the

project proponent to consult with the appropriate Department of Forestry and Fire Protection archaeologist to determine if impacts to cultural resources are possible. Results of this preliminary consultation (study) will determine what, if any, additional assessment work will have to be done. The Department of Forestry and Fire Protection archaeologist must concur in writing with the determination of this preliminary consultation (study). For a timber harvesting permit or notice in compliance with the California Forest Practice Act and Rules where another public agency is the plan submitter, the public agency shall comply with all applicable provisions of the Forest Practice Act and Rules and all other laws relating to the protection of archaeological and historical resources. For other environmental documents where another public agency is the lead agency, the public agency shall comply with all provisions of the California Environmental Quality Act and all other laws relating to the protection of archaeological and historic resources.⁴ The methods used to assess environmental effects should provide sufficient information to demonstrate that no significant effects to cultural resources will occur during project implementation.

The Department of Forestry and Fire Protection may assist grantees in the preparation of environmental documents if necessary by answering questions and referring grantees to the appropriate guidelines for preparation of environmental documents.

California Environmental Quality Act compliance work must be completed within one year from date of grant award shown in the grant agreement or the agreement may be terminated.

Limited Suspension of Requirements of the California Environmental Quality Act

Certain projects may qualify for the limited suspension of the requirements of the California Environmental Quality Act pursuant to the Governor's October 30, 2015 *Proclamation of a State of Emergency* (https://www.gov.ca.gov/docs/10.30.15_Tree_Mortality_State_of_Emergency.pdf). The emergency proclamation suspends the requirements of the California Environmental Quality Act and Guidelines for purposes of carrying out, among other things, Directive 2, where the state agency with primary responsibility for implementing the directive concurs that local action is required. In order to qualify for the emergency proclamation's suspension of the California Environmental Quality Act, the grantee must meet the following criteria:

1. The project must be located in a high hazard zone as designated pursuant to Directive 1 (see <http://www.fire.ca.gov/treetaskforce/reports>).
2. The project must be necessary to protect the public health and safety.
3. The project involves the removal of dead or dying trees that threaten residences, critical community infrastructure, roads and other evacuation corridors.
4. The work will be conducted in accordance with the most current draft Guidelines for High Hazard Zone Tree Removal

⁴ Analysis of impacts to archaeological and historic resources pursuant to the California Environmental Quality Act may require consulting a qualified professional archaeologist. Grantees are advised to request funds for the services of a professional archaeologist when preparing budgets during the application phase for grant dollars.

http://www.fire.ca.gov/treetaskforce/downloads/Draft_Tree_Removal_Guidelines_3-1-16.pdf).

Grantees wishing to proceed under the emergency proclamation's suspension must certify that all of the preceding criteria are met. The Department of Forestry and Fire Protection reserves the right to reject any application for a project that is not eligible for the suspension of the requirements of the California Environmental Quality Act. The Department of Forestry and Fire Protection may assist applicants in determining their eligibility for proclamation's suspension of the California Environmental Quality Act prior to application.

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APPENDIX C – Other Funding Sources and Forest Legacy Program Information

Forest Legacy Program Information:

The Forest Legacy Program as administered by CAL FIRE is comprised of two separate but complimentary programs: the Federal Forest Legacy Program and the California Forest Legacy Program.

Federal Program

The Federal Forest Legacy (16 U.S.C. Sec. 2103c) program was part of the 1990 Federal Farm Bill. It recognized that private forestland owners were facing increased pressure, due to greater population densities and users demands, to convert their forestlands to other uses, such as housing subdivisions, rural lots and vineyards. Furthermore, forestland provides a wide variety of products and services including fish and wildlife habitat, aesthetic qualities, timber and recreation opportunities. Good stewardship of privately held forest lands requires a long-term commitment that can be fostered through a partnership of local, state and Federal government efforts.

The objective of the Federal Forest Legacy Program is to identify and protect environmentally important forestlands that are threatened by present or future conversion to non-forest uses. Priority is to be given to lands that can be effectively protected and managed and that have important scenic, recreational, timber, riparian, fish and wildlife, threatened and endangered species, and other cultural and environmental values.

Project costs covered by the Federal Legacy grants include interests in lands (including actual purchase price), appraisals, land surveys, closing costs, establishing baseline information, title work, and purchase of title insurance, conservation easement drafting and other real estate transaction expenses. Also included are funds expended to facilitate donations of land or interests in lands to a qualified and willing donee for Program purposes. For outright donations of a conservation easement or land, Federal funds may not be used to pay for an appraisal since the Forest Service does not need a determination of fair market value. Federal funds are limited to 75% of the value of the conservation easement with the remaining portion contributed by non-federal matching funds. Landowner contributions may be part of the match.

State Program

The Forest Legacy Program Act of 2000 and 2007 allowed the Department of Forestry and Fire Protection to accept lands and interests in lands and to encourage the long-term conservation of productive forest lands by providing an incentive to owners of private forest lands to prevent future conversions of forest land and forest resources through the use of conservation easements. Eligible properties may be "working forests," where forestland is managed for the production of forest products and traditional forest uses are maintained. These forest uses will include both commodity outputs and non-commodity values. The purpose of these easements is to maintain these forests intact to provide such traditional

forest benefits as timber production, wildlife habitat, watershed protection and/or open space. These forests remain in private ownership, except for the restrictions on development or other uses conveyed by the conservation easement to the agency selected by the landowner.

In both programs the involvement by private landowners is voluntary. In 2000, the Governor signed into law SB1832, the California Forest Legacy Act. This law allows the California Department of Forestry and Fire Protection to acquire conservation easements, and permit Federal, State agencies, local governments and nonprofit land trust organizations to hold conservation easements acquired pursuant to the California Forest Legacy Program (FLP). Money to fund the Program shall be obtained from gifts, donations, federal grants and loans, other appropriate funding sources. In 2011, the Board of Forestry and Fire Protection provided further direction with the adoption of Title 14, California Code of Regulation (CCR), §1570-1576 which defines rules and procedures for implementation of the FLP.

The agency or organization holding the easement is responsible for monitoring compliance by the landowner. CAL FIRE and the easement holders are responsible for working cooperatively with participating landowners to design their easements. It is expected that landowners will retain all responsibility for managing their forest resources consistent with the terms they establish in their conservation easements. Landowners participating in the programs will be required to prepare a multi-resource management plan that is the equivalent, or more extensive than, a Forest Stewardship Plan (as per US Forest Service guidelines).

This plan must be acceptable to the state and approved prior to signing the acquisition of the easement.

Neither the Federal Forest Legacy Program nor the California Forestry Legacy Program Act of 2000 and 2007 allows project funds to be used to cover monitoring costs. Endowments are generally provided to the landowner at the close of escrow in a sufficient amount to cover the monitoring costs over time.

Forest Legacy Project Process

The landowner should contact a CAL FIRE forester, land trust representative, registered professional forester or an attorney to discuss the possibility of putting his or her land in a conservation easement. Upon determination that the landowner would like a conservation easement, the landowner works with one or all of the above parties to provide the necessary completed application forms and additional documents.

In addition to the application for GGRF funding, applicants for projects that include a conservation easement will have to submit a California Forest Legacy Application, which will include a complete hard and electronic copy of the following:

1. Required Forms.
2. Maps.
3. Preliminary Title Report.

4. Forest Stewardship Management Plan or equivalent (e.g., Non-Industrial Timber Management Plan or Ranch Management Plan).
5. Timber Harvesting Plan (if there is one for the property).
6. Draft Conservation Easement.

If the application is complete a field visit will be scheduled with the landowner if one has not already been done. The field visit gives the CAL FIRE Forest Legacy Program coordinator an opportunity to evaluate the application package, ask additional questions, take photos and further explain the program to the landowner. It also provides the landowner with a chance to get to know the coordinator and ask questions about the program, such as funding availability and timelines. This is also a good time for the landowner to discuss the legal aspects of a conservation easement, but the coordinator will advise the landowner that if CAL FIRE proceeds with the application, then he or she is advised to seek legal counsel.

There will be an additional selection process for a project with a conservation easement, which involves ranking projects by state representatives. All applications are reviewed and prioritized through scoring by the California State Forest Stewardship Coordinating Committee (SFSCC). Potential projects are scored in accordance with California's Assessment of Need and Title 14 CCR §§1570-76, the State Forest Legacy Program regulations, that consider important environmental, social and economic values and the core criteria set by the federal government. The core criteria include: importance (the public benefits gained from the protection and management of the property), threatened (conversion to non-forest uses is possible to imminent and will result in a loss of forest values and public benefits), strategic (the project fits within a larger conservation plan, strategy, or initiative and enhances previous conservation investments), and project readiness (a graduated scale indicating the level of commitment and likelihood a project will be completed in a predictable timeline).

If the project is selected and funding is secured, then the following will occur before project completion:

1. A current appraisal must be conducted by an approved appraiser that meets state standards (and federal standards if the project will have federal funding).
2. The appraisal must be reviewed and approved by the Department of General Services (and the USDA Forest Service review appraisers if federal funding is involved). No appraisals should be started without instructions from the review appraiser.
3. A final conservation easement must be approved by CAL FIRE.
4. If the title report shows exceptions that would not allow the state to take title (such as surface mineral rights owned by a third party) those exceptions must be removed from title before the conservation easement can be established on the property interest.

5. A Baseline Documentation Report must be completed within six months of project completion i.e. when the deed is recorded. The report will document the current property conditions according to applicable state and federal standards.
6. The property must have an approved and current Forest Stewardship Management Plan or equivalent (e.g., Non-Industrial Timber Management Plan or Ranch Management Plan).
7. A Monitoring Plan must be developed that meets state standards.
8. A Property Acquisition Agreement must be signed.
9. Escrow instructions must be given to the title company.

Once all the above have been satisfied an escrow account must be opened at a title company and all documents and funds are transferred there. Upon signature of the Deed of Conservation Easement or Grant Deed and other necessary documents, money is disbursed to the Grantor.

Other Funding Sources:

Federal: All federal forest legacy funding is subject to appropriation by the U.S. Congress on a project-by-project basis. Allocations are based on national competitive process. There is no federal block grant for acquisitions. No more than 75% of the cost of an easement can be funded using federal forest legacy funds.

Other State Sources: There are a variety of state funding sources that may also be available including the Forest Conservation Program administered by the Wildlife Conservation Board, the State Coastal Conservancy, and others. With the exception of CAL FIRE's GGRF funding, all other sources have their own application process.

Applicants are encouraged to discuss the various options with your land trust representative or the CAL FIRE Forest Legacy Program coordinator.

APPENDIX D – Project Eligibility and Grant Selection Criteria

Below are the project eligibility and grant selection criteria for GGRF Forest Health Projects. Eligibility criteria will be used to determine adequacy of the concept proposal and who will be invited to submit a project application. Selection criteria will be used to score project grant applications.

Eligibility

1. **Participants** - Eligible participants include federal land management agencies (excluding conservation easements), state land management agencies, Native American tribes, private forest landowners, resource conservation districts, fire safe councils, land trusts, landowner organizations, conservation groups, and non-profit organizations. Per the Public Resources Code, Section 30910 (c), "Non-profit organization" means any California corporation organized under Section 501(c)(3) of the federal Internal Revenue Code.
2. **Projects:** Eligible projects must include large, landscape-scale forestlands composed of one or more landowners, which may cover multiple jurisdictions. Projects must be logical management units located in California and under a million acres in size. Projects located on an area covered by an existing environmental credit project (e.g., carbon offset project) are ineligible.
3. **Greenhouse Gas Emission Reductions** - In order to be eligible for funding under this program, a project must further the goals of AB 32 and include a quantitative estimate of the net GHG benefit in terms of metric tonnes of carbon dioxide equivalent per the FY 2016-17 quantification methodology approved by ARB. The FY 2016-17 quantification methodology will be made available at <http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/quantification.htm>. The quantification methodology will compare outcomes of a business-as-usual scenario with that of project implementation over the project life. The baseline for a project will be the normal land management activities that could be expected to occur in the absence of the project. Project applicants must demonstrate that activities funded by the GGRF are activities that would not otherwise occur in the baseline scenario. Forest health projects most often will consist of a collection of individual activities spread over a large landscape. Each activity however, must be part of a logical plan to reduce GHG emissions at the project level. Projects that do not immediately have a net GHG benefit must be sustained at least until one is achieved and maintained for an additional ten years.
4. **Priority Areas** - Eligible projects must target forestlands where projects will have the greatest benefits, such as areas with elevated levels of tree mortality and wildfire threats, carbon storage potential, as well as opportunity for biomass use. These are areas where there is a demonstrated need for treatment, and these areas will be given high priority for treatment.

5. **Completion** - Eligible projects must be able to complete grant-related work by March 30, 2020. Preference will be given toward projects that have completed required environmental compliance at the time the concept proposal is submitted.
6. **Permanence** - Eligible projects must be designed to ensure the project benefits are as permanent as possible. Grant applicants will be encouraged to implement creative methods for maintaining treatment efficiency over time.
7. **Forest Legacy Funding** - Eligible projects involving conservation easements and GGRF funds must also apply for federal forest legacy funding, and the maximum GGRF funding amount is limited to 75% of the appraised value of the interest to be conveyed.
8. **Capacity** - Project proponents must demonstrate capacity to plan and implement a complex large landscape level project.
9. **Research** – Research is allowable as a component of a Forest Health project. Research should not be the primary focus of the project but a certain component of GHG reducing activities that contribute to the common goals of the project.

Grant Selection Criteria

1. **Scope of Work** – The project is appropriate for the program with clear, complete articulation of intended work and high achievement of all eligibility and selection criteria contained in the program's procedural guide.
2. **Budget** - The project budget clearly shows how the grant funds will be spent. Costs are reasonable in proportion to the proposed deliverables. The budget must include the cost of the grant minus any income received from the sale of forest products or other goods.
3. **Matching Funds** – Matching funds are not required, although, projects that contain matching funds and leverage other financial resources such as State Responsibility Area Fire Prevention Fund Grant Program monies, Water Quality, Supply, and Infrastructure Improvement Act funds, federal grants or private funding will receive priority. Matching funds are required for Forest Legacy Applications.
4. **Net Greenhouse Gas Benefit** – Greenhouse gas benefits are compelling and clearly demonstrated. The project results in a substantial net GHG benefit. The net GHG benefit clearly justifies how the project will further the objectives of AB 32. The numerical calculations can be reviewed and validated.
5. **Co-Benefits** - A description of the co-benefits of the project is included and co-benefits are substantial. Preferred co-benefits include, but are not limited to, socio-economic benefits, public health, air quality, other environmental co-benefits, and jobs.

6. **Disadvantaged Community Benefit** – Project provides a direct, meaningful, and assured benefit to a disadvantaged community and meaningfully addresses an important community need, as described in Volume II of ARB’s Funding Guidelines. CalEPA used CalEnviroScreen 2.0 to identify disadvantaged communities. Maps that show the disadvantaged community census tract boundaries are available at <http://www.calepa.ca.gov/EnvJustice/GHGInvest>. See Appendix K for additional information on the criteria to be used to determine if a project benefits a disadvantaged community.
7. **Community Benefit**– Project provides direct, benefit to a community and meaningfully addresses an important community need
8. **Local Fire Plan or Other Forest Management Plan Compatibility** - Project is included in the State’s fire plan, CAL FIRE Unit fire plans or Community Wildfire Protection Plans or a conservation plan.
9. **Collaboration and Community Support** - Project shows broad community support, partnerships or collaborative efforts to achieve the net GHG benefit. Collaboration and support is demonstrated by presence of planning, involvement by partners, and funding from private and public partnerships contributing to the project. CAL FIRE will favor those projects with substantial levels of collaboration and community support.
10. **Project Inclusion of Multiple Forestry Practices** - The project utilizes a diverse mix of management actions. CAL FIRE will favor those projects that include multiple effective forestry practices and involve multiple activities combined into a landscape level approach to Healthy Forest management.
11. **Grantee’s Past Forest Management History and References** - The applicant has demonstrated forest management experience with similar landscape level projects and demonstrates a high potential for completing the project.
12. **Readiness** - Grantee is ready to implement project and has capability to begin work on the project within 12 months of the grant award.
13. **Fuels Reduction**: For projects with a forest fuels reduction component, project addresses Fire Hazard Severity Zones, infrastructure protection including Tree Mortality Task Force High Hazard Zones, communities at risk and provides vegetation prescriptions.
14. **Pest Management**: For projects with a pest management component, project addresses pest mortality risk, stand conditions and vegetation treatment, emergency pest infestation, exotic insects or disease, and active infestation thinning.
15. **Reforestation**: For projects with a reforestation component, project addresses seed zones, site preparation, planting standards and post-project planting success.

- a. **Reforestation and Conservation Practices Cost** – Reforestation and other conservation practices are compared to published USDA, NRCS and CFIP cost rates.
16. **Legal Requirements Satisfied** – Project are ready to implement, because all required documents and legal requirements (e.g., CEQA, NEPA, ancillary contracts, agreements, MOUs, etc.) are in place.
17. **Involving Local Expertise** – Project Uses local government, local fire districts, UC extension, (or appropriate non-governmental organizations) for coordination and oversight.
18. **RPF Involvement** - A registered professional forester must design vegetation treatments, oversee vegetation removal, and may calculate the net GHG benefit.
19. **Forest Health Benefit:** The project is a good fit for the Department's Forest Health Program.
20. **Conservation Easements** – Projects are ranked on four criteria: (1) IMPORTANCE, (2) THREAT, (3) STRATEGIC VALUE, AND (4) READINESS. Because funds are limited, this information will help establish the preliminary ranking with the other projects including a conservation easement submitted for consideration. See appendix F, Forest Legacy.

APPENDIX E – Concept Proposal, Attachment A - Grant Application and Instructions

[To be completed upon finalization of the Forest Health Guidelines]

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APPENDIX F – Forest Legacy Program Application and Instructions

Forest Legacy Criteria:

1. **Conservation Easements** – Projects are ranked on four criteria: (1) IMPORTANCE, (2) THREAT, (3) STRATEGIC VALUE, AND (4) READINESS. Because funds are limited, this information will help establish the preliminary ranking with the other projects including a conservation easement submitted for consideration.

a. Importance

i. Economic Benefits from Timber and Potential Forest Productivity:

The extent to which the: (1) Landowner demonstrates sustainable forest management in accordance with a management plan and/or a third party certified (such as Sustainable Forestry Initiative, Forest Stewardship Council, and American Tree Farm System); (2) Forestry activities contribute to the resource-based economy for a community or region; and (3) the Forest Productivity Potential.

ii. Economic Benefits from Non-timber Products: The extent to which there is non-timber revenue provided by the property to the local or regional economy through activities such as hunting leases, ranching, non-timber forest products, guided tours (fishing, hunting, bird-watching, etc.), and recreation and tourism (lodging, rentals, bikes, boats, outdoor gear, etc.)

iii. Threatened or Endangered Species Habitat: The extent to which the parcel contributes to healthy wildlife habitats and maintaining viable wildlife populations by protecting and enhancing on- and off-property wildlife features, such as documented threatened or endangered plants and animals or designated habitat(s).

iv. Fish, Wildlife, Plants, and Unique Forest Communities: the extent to which unique forest communities and/or important fish or wildlife habitat are present on the property and if they are documented by a formal assessment or wildlife conservation plan or strategy developed by a government or a non-governmental organization.

v. Water Supply, Aquatic Habitat, and Watershed Protection: The extent to which the property (1) has a direct relationship with protecting the water supply or watershed, such as provides a buffer to public drinking water supply, contains an aquifer recharge area, or protects an ecologically important aquatic or marine area, and/or (2) contains important riparian area, wetlands, shorelines, river systems, or sensitive watershed lands.

- vi. **Existing or Potential Public Recreational Opportunities and Public Access:** The extent to which the recreational values of the property will maintain or establish access by the public (non-commercial and non-landowner users) for recreation.
- vii. **Scenic Resources:** The extent to which the property contains scenic resources.
- viii. **Historic/Cultural/Tribal:** The extent to which the property contains features of historical, cultural, and/or tribal significance, formally documented by a government or a non-governmental organization, including material evidence of previous human occupation (e.g., petroglyphs, house pits, midden, bedrock mortars, etc.), historic features such as cemeteries, pioneer homesites, old grist and sawmill sites, old grist and sawmill sites, etc. and natural landscape features.

b. **Threat**

- i. **Type and Level of Conversion Threats:** The extent to which the property is either threatened by development or conversion to other uses, or how putting it under a conservation easement can slow the development pressures in the area, considering the following:
 - I. **Lack of Protection** - *The lack of temporary or permanent protections (e.g., current zoning, temporary or permanent easements, moratoriums, and encumbrances that limit subdivision or conversion) that currently exists on the property and the likelihood of the threat of conversion.*
 - II. **Land and Landowners Circumstances** - *Land and landowner circumstances such as property held in an estate, aging landowner, future property by heirs is uncertain, property is for sale or has a sale pending, landowner anticipates owning property for a short duration, landowner has received purchase offers, land has an approved subdivision plan, landowner has sold subdivisions of the property, etc.*
 - III. **Adjacent Land Use** - *Adjacent land use characteristics such as existing land status, rate of development growth and conversion, rate of population growth (percent change), rate of change in ownership, etc.*

IV. Ability to Develop - Physical attributes of the property that will facilitate conversion, such as access, buildable ground, zoning, slope, water/sewer, electricity, etc.

c. Strategic Value

- i. **Strategic placement and value:** The extent to which the property relates strategically to other protected properties adjacent to it or in close proximity to it, including pertinent federal, state, or regional strategic plans, cooperatives or initiatives, considering the following:
 - I. **Conservation Initiative, Strategy, or Plan** - How the project fits within a larger conservation plan, strategy, or initiative as designated by either a government or non-governmental entity.
 - II. **Complement Protected Lands** - How the project is strategically linked to enhance already protected lands including past FLP projects, already protected Federal, State, or non-governmental organization lands, or other Federal land protection programs (NRCS, NOAA, etc.).

d. Project Readiness

- i. **Readiness of the project to be completed:** The extent to which due diligence been completed, including whether any of the following steps have been initiated to help close this project:
 - I. Documented support exists for the cost estimate, such as completed market analysis or preliminary appraisal.
 - II. Landowner and state have general agreement on conservation easement or fee acquisition conditions.
 - III. Cost share commitment has been obtained from a specified source.
 - IV. A signed option or purchase and sales agreement is held by the state or at the request of the state, conservation easement or fee title is held by a third party.
 - V. Title search is completed, including identifying any temporary or permanent protections.
 - VI. Minerals determination is completed. A stewardship plan or multi-resource management plan is completed.

APPENDIX G – Sample Budget, Attachment C

Greenhouse Gas Fuels Reduction Program
Budget Proposal

GRANTEE NAME

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Budget Item	Description	Cost Basis	CAL FIRE Grant Share	Grantee Match	Total
A. Salaries and Wages			-	-	-
					-
					-
					-
B. Employee Benefits			-	-	-
					-
					-
					-
C. Contractual			-	-	-
					-
					-
					-
D. Travel			-	-	-
					-
					-
					-
E. Supplies			-	-	-
					-
					-
					-
F. Equipment			-	-	-
					-
					-
					-
G. Other			-	-	-
					-
					-
					-
TOTAL DIRECT COSTS			-	-	-
INDIRECT COSTS			-		-
		12%			
TOTAL PROJECT COSTS			-	-	-
LESS Program Income			-		-
TOTAL GRANT PROPOSED COSTS			-	-	-

APPENDIX H – Sample Resolution

**BEFORE THE BOARD OF DIRECTORS OF THE (NAME OF
LOCAL PUBLIC ENTITY, DISTRICT, OR NON-PROFIT)
COUNTY OF (NAME), STATE OF CALIFORNIA**

IN THE MATTER OF: Resolution Number: _____

Approving the Department of Forestry and Fire Protection Agreement (NUMBER) for services from the date of last signatory to (PROJECT COMPLETION DATE) under the (Name of Program).

BE IT RESOLVED by the Board of Directors of the (NAME OF LOCAL PUBLIC ENTITY, DISTRICT, OR NON-PROFIT), that said Board does hereby approve the agreement with the California Department of Forestry and Fire Protection dated (MONTH DAY, YEAR). This agreement provides (TYPE OF SERVICE) during the State fiscal year 2015/2016 up to and no more than the amount of \$(0.00).

BE IT FURTHER RESOLVED that the (TITLE, NAME OF PERSON) of said Board be and hereby is authorized to sign and execute said agreement on behalf of the (NAME OF LOCAL PUBLIC ENTITY, DISTRICT, OR NON-PROFIT).

BE IT FURTHER RESOLVED that the (TITLE, NAME OF PERSON) of said Board be and hereby is authorized to sign and execute invoices on behalf of the (NAME OF LOCAL PUBLIC ENTITY, DISTRICT, OR NON-PROFIT).

The foregoing resolution was duly passed and adopted by the Board of Directors of the (NAME OF LOCAL PUBLIC ENTITY, DISTRICT, OR NON-PROFIT) at a regular meeting thereof, held on (MONTH DAY, YEAR) by the following vote:

AYES:

NOES:

ABSENTS:

Signature, Board Member 1

Signature, Board Member 2

Print Name and Title

Print Name and Title

— CERTIFICATION OF RESOLUTION —

Please note the person attesting cannot be the same person who is authorized to sign and execute agreements

ATTEST:

I _____, (TITLE) of the (NAME OF LOCAL PUBLIC ENTITY, DISTRICT, OR NON-PROFIT), California do hereby certify that this is a true and correct copy of the original.

Witness my hand or the seal of the (NAME OF LOCAL PUBLIC ENTITY, DISTRICT, OR NON-PROFIT), on (MONTH DAY, YEAR).

Signature

Print Name and Title

OFFICIAL SEAL OR
NOTARY CERTIFICATION
(If Applicable)

APPENDIX I – Standard Forms

Payee Data Record form (STD. 204): The STD. 204 form indicates that local government entities do not need to fill it out. CAL FIRE utilizes this form internally for all grantees, so it is required that all applicants fill it out. <http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std204.pdf>

Nondiscrimination Compliance Statement form (STD. 19):
<http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std019.pdf>

A Drug-Free Workplace Certification form (STD. 21):
<http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std021.pdf>

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APPENDIX J – Invoice Guidelines

While the grantee is not required to use the sample invoice included in the grant guidelines due to differences in accounting systems used by the grantee, the grantee must include the following elements when submitting a payment request, either on the grantee's invoice or as an attachment to the invoice. If grantee chooses to use their invoice in lieu of the sample provided, the invoice must be put on grantee's official letterhead.

1. The word "Invoice" should appear at the top of the page.
2. Grantee Information – Includes the grantee name and address which should match the Std. 204 - Payee Data Record submitted with the grant agreement. Payment will be submitted to this address after the invoice has been approved. Grantee shall notify CAL FIRE in writing regarding address changes and effective dates.
3. Invoice Date & Number – Date invoice was issued and unique invoice number to be determined by grantee for reference.
4. CAL FIRE Contact Name and Address – Name, Program, and Address of the CAL FIRE staff invoice and back-up documents should be submitted to as identified in the grant agreement.
5. Grant Identification – Grant Number, Grant Performance Period, and Project Name as identified in the grant agreement.
6. Invoice Period – Performance start and end dates for which grantee is invoicing CAL FIRE. Under no circumstances will an invoice period outside of the grant performance period be accepted.
7. Payment Type – Indicate whether the invoice is to request an advance payment, interim payment, or final payment.
8. Cost breakdown – Grantee costs must be broken down by the budget item consistent with the approved budget in the grant agreement. Grantee must identify the amount for which CAL FIRE is being billed in the invoice period and the total amount spent and match (if applicable) from the beginning of the grant performance period through the invoice period. Advance requests should still include a breakdown of the budget items for which the grantee is planning to expend the funds.
9. Offset to current cost – Include the balance of advance funds given to grantee as well as program income earned from the grant.
10. Total amount for which grantee is requesting reimbursement from CAL FIRE.

11. Grantee contact name, phone number, and email address for questions related to the invoice.
12. All back up documentation to support the invoice (see Payment of Grant Funds).
13. Certification and signature of authorized representative - Please see sample invoice for certification language.

DRAFT

Sample Invoice

Grantee Name Street Address Street Address2 City, ST ZIP Code		INVOICE		
Submit invoice and supporting documentation to: California Department of Forestry & Fire Protection (CAL FIRE) ATTN: NAME, PROGRAM Street Address2 City, ST ZIP Code		DATE: Month DD, YYYY INVOICE #: 100		
Grant Number: 8XX14XXX Grant Period: MM/DD/YYYY to MM/DD/YYYY Project Name:				
Invoice Period: MM/DD/YYYY to MM/DD/YYYY Payment Type: <input type="checkbox"/> Advance Request <input type="checkbox"/> Interim Payment <input type="checkbox"/> Final Payment				

BUDGET ITEM	BUDGETED AMOUNT	CURRENT COST	EXPENDED TO DATE	MATCH TO DATE
Salaries and Wages				-
Employee Benefits				-
Contractual				-
Travel				-
Supplies				-
Equipment				-
Other				-
Indirect Cost 10%				-
TOTAL	-	\$ -	\$ -	\$ -
Less Outstanding Advance		\$ -		
Less Program Income		\$ -		
CURRENT DUE		\$ -		

Check all those that apply:

☐ Supporting documentation attached (required for Interim & Final Payment)

☐ Project Progress Report (Interim) or Project Completion Report (Final)

Direct questions to: Name
XXX-XXX-XXXX Ext. XXXX
Email address

CERTIFICATION: I certify that I have the full authority to execute this payment request on behalf of the Grantee. I declare under penalty of perjury, under the laws of the State of California, that this request and accompanying documents for the above referenced grant is true and correct to the best of my knowledge, and represents actual allowable disbursements made for the work performed in accordance with the conditions of the grant.

Signature of Authorized Official	Date	Printed Name	Title
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CAL FIRE USE ONLY			
Payment approval signature (Unit/Field Staff)	Title	Date	
Payment approval signature (Program Manager)	Title	Date	
Payment approval signature (Grants Management Unit)	Title	Date	
CAL FIRE Coding:	FY	Index	Object
		PCA	Amount
			Vendor #

APPENDIX K – Criteria for Evaluating Benefits for Disadvantaged Communities

Table 2.A-6 Land Preservation or Restoration and Forest Health

Projects will achieve net GHG reductions through sequestration or by protecting natural lands from GHG-intensive development (e.g., agricultural land conservation easements, wetland restoration, forest conservation easements). Forest health projects will achieve net GHG reductions through sequestration and utilization of biomass or solid wood materials.

Potential administering agencies: CAL FIRE, SGC, DFW, CDFA

CRITERIA TO EVALUATE PROJECTS

Agencies can also use criteria in other applicable tables.

When selecting projects for a given investment, give priority to those that maximize benefits to disadvantaged communities (e.g., use scoring criteria that favor projects which provide multiple benefits or the most significant benefits).

Step 1 – Located Within. *Evaluate the project to see if it: meets at least one of the following criteria for being located in a disadvantaged community census tract*; provides direct, meaningful, and assured benefits to a disadvantaged community; and meaningfully addresses an important community need**.*

Project must meet the following criteria focused on maintaining or providing green space or open space:

- A. Project preserves or restores a site where the majority of the land area is located within a disadvantaged community.

Step 2 – Provides Benefits To. *If the project does not meet the above criteria for “located within,” evaluate the project to see if it: meets at least one of the following criteria for providing direct, meaningful, and assured benefits to a disadvantaged community; and meaningfully addresses an important community need**.*

Project must meet at least one of the following criteria focused on economic opportunities or providing environmental improvements for disadvantaged community residents:

- A. Project preserves or restores a site that allows public access and is accessible by walking within ½ mile of a disadvantaged community; or
- B. Project significantly reduces flood risk to one or more adjacent disadvantaged communities; or
- C. Project includes recruitment, agreements, policies or other approaches that are consistent with federal and state law and result in at least 25% of project work hours performed by residents of a disadvantaged community; or
- D. Project includes recruitment, agreements, policies or other approaches that are consistent with federal and state law and result in at least 10% of project work hours performed by residents of a disadvantaged community participating in job training programs which lead to industry-recognized credentials or certifications.

* For maps of disadvantaged community census tracts, refer to: <http://www.calepa.ca.gov/EnvJustice/GHGInvest/>.

** To determine community needs, agencies or applicants can use a variety of approaches such as: looking at the factors in CalEnviroScreen that caused an area to be defined as a disadvantaged community; hosting community meetings to get local input; referring to the list of common needs in Table 2-2; or receiving documentation of community support (e.g., letters or emails).